

MORTGAGE BROKER DISCLOSURES - NRS 645B.185 & NAC 645B.080
(To Be Completed By Mortgage Broker & Investor)
Required For Each Investment in New Loans

IMPORTANT FACTS:

- The mortgage broker with whom you are dealing is not a depository financial institution.
- Your investment is not insured by any depository insurance or insured or guaranteed by any agency of the State of Nevada or the Federal Government.
- There are no guarantees that you will receive your interest or principal payments.
- You could lose the entire amount of your principal investment.
- Even if the property is foreclosed upon, you may still lose some or all of your investment.
- For actions requiring investor approval, and unless otherwise agreed in writing, investors holding 51% or more of the outstanding principal balance may decide options on behalf of all investors.

NOTICE REGARDING SECOND DEED OF TRUST OR SECOND MORTGAGE INVESTMENTS

Second deed of trust or second mortgage investments have a higher degree of risk than first deed of trust or first mortgage investments.

Be cautious if you are encouraged to borrow against real estate that you own in order to invest in a second deed of trust or second mortgage loan. Your investment is not insured and there is no guaranty that you will receive interest payments or the return of your principal investment. You could lose the entire amount of your investment and still be required to re-pay the amount you borrowed.

Before investing in a loan which is, or will be, secured by a second deed of trust or second mortgage, consider consulting with a financial advisor and/or real estate attorney to assess the risks involved.

Additional information may be found in the Mortgage Investor Disclosure form.

MORTGAGE BROKER: _____

BORROWER: _____

PROJECT NAME: _____

PROPERTY ADDRESS: _____

INVESTOR NAME: _____

INVESTOR CONTRBUTION (\$ and % interest): _____

TOTAL LOAN AMOUNT: \$ _____

1. The real property that will secure this loan is not encumbered by any other liens.* If other liens exist, describe, for each lien:

a. Loan Amount: \$ _____

b. Priority of Lien: _____

c. Current Status of Payments (Including Whether the Debt is Being Paid or is in Default):

* Include liens that will be paid off by new loan.

2. Is the mortgage broker with whom the investor is dealing, or any relative of the mortgage broker, acting in any capacity, or have any other interest in the mortgage loan, other than as a mortgage broker?

☐ Yes ☐ No

If yes, explain: _____

3. Do you wish to receive a copy of the broker's most recent financial statement? If yes, the mortgage broker should provide to the investor a written form authorizing the Division of Mortgage Lending to release to the investor the most recent financial statement of the mortgage broker on file with the Division.

☐ Yes ☐ No

4. Has any disciplinary action been taken by the Commissioner against the mortgage broker or any general partner, officer or director of the mortgage broker within the preceding 12 months?

☐ Yes ☐ No

If yes, explain the nature of any such disciplinary action: _____

5. Has the mortgage broker or any general partner, officer or director of the mortgage broker been convicted within the immediately preceding 12 months for violating any law, ordinance or regulation that involves fraud, misrepresentation or a deceitful, fraudulent or dishonest business practice?

☐ Yes ☐ No

If yes, explain: _____

DOCUMENTS RECEIVED OR WAIVED BEFORE INVESTING IN THE LOAN

This is to acknowledge that I either received or waived the right to receive the following documents from the mortgage broker **before** I made the decision to invest in the above loan:

1. A written application for the loan which is signed by the prospective borrower and which contain the borrower's address, a history of his employment and income, details of monthly payments he is obliged to pay and any other information requested by me.
- ☐ Received ☐ Waived
2. Evidence of the prospective borrower's history of employment and income, such as a tax return or an employer's statement of the borrower's past yearly income.
- ☐ Received ☐ Waived
3. A report on the prospective borrower's history of credit issued by a credit reporting agency, including an explanation by the borrower of any material derogatory item in the report and evidence that the report has been compared for accuracy to the borrower's application for the loan.

☐ Received ☐ Waived

4. An analysis by the mortgage broker of the ability of the prospective borrower to pay his monthly debts.
- ☐ Received ☐ Waived
5. A preliminary report on the status of the title of the property which is proposed as security for the loan.
- ☐ Received ☐ Waived
6. A copy of the written appraisal of the property which is proposed as security for the loan which has been prepared by an appraiser who is authorized to perform appraisals in this State.
- ☐ Received ☐ Waived

By signing below, I hereby certify that I either received or waived the right to receive the above listed items *before* I made my decision to invest in the loan.

CERTIFICATION OF MINIMUM FINANCIAL REQUIREMENTS

By signing below, I hereby certify that I am aware of the risks and responsibilities involved in this type of investment and that my total investments in mortgage loans transacted by the mortgage broker are not valued at more than 50% of one of the following, whichever is greater (check one box):

- ☐ My household net worth
- or**
- ☐ My household net annual income (gross income less taxes)

I further certify that I meet the minimum financial requirements required to invest in a mortgage loan in the State of Nevada as noted below:

- ☐ My household net worth is more than \$250,000.00, excluding any equity in any real property used as the investor's primary residence at the time of the investment _____
(signature required)
- or**
- ☐ My household net income (gross income less taxes) was more than \$70,000.00 for each of the previous 2 tax years and there is a reasonable expectation of attaining or exceeding the same income for the current year. _____
(signature required)

Name of Investor (printed): _____

Investor's Signature (required): _____

Date: _____

Name of Mortgage Broker: _____

By: _____
Authorized Signatory (required)

Name of Authorized Signatory (printed): _____

Date: _____